

## **WARNING-UNAPPROVED MINUTES**

*These minutes have not been reviewed or accepted by the RISLA Board of Directors. This draft is being supplied in order to be in compliance with the State Open Meetings Law. Board approved minutes will be submitted when available.*

The 296<sup>th</sup> meeting of the Rhode Island Student Loan Authority was held on **Tuesday, June 26, 2012** in the RISLA Conference Room, 560 Jefferson Boulevard, Warwick, Rhode Island.

### **Members in attendance:**

Dr. Anthony Santoro  
Dr. William Croasdale  
Mr. John Howell  
Ms. Patti Doyle  
Mr. Chris Feisthamel, Designee of the General Treasurer

### **Others in attendance:**

Mr. Charles Kelley  
Mr. Noel Simpson  
Mr. Joseph Palumbo  
Ms. Jennifer Dutch  
Mr. Kevan McAleer  
Mr. Chad Pastorius  
Mr. Bruce Serchuck

The meeting was called to order by Dr. Santoro at 11:37 a.m.

Upon a motion made by Mr. Feisthamel and seconded by Mr. Howell it was unanimously VOTED to approve the minutes from the Board of Director's meeting held on May 25, 2012.

### **Chairman's Report**

There was no Chairman's Report.

### **Executive Director's Report**

There was no Executive Director's Report.

### **Discussion of Direct Loan Servicing**

Mr. Simpson informed the board members that ACS could no longer provide DL services to RISLA and RISLA had to go back out to bid. RISLA received seven proposals. Aspire was the low bidder. Aspire offered flexibility with a direct loan call center down the road that would generate revenue. Mr. Simpson mentioned that there are some contract issues to be resolved, but feels that RISLA should

move ahead with the contract. Mr. Palumbo briefly went over the contract issues with the board. He mentioned that Aspire is a wholly owned subsidiary of the Iowa Student Loan Liquidity Corporation. He and Mr. Simpson had a phone conference with Aspire to clarify certain items in their proposal and were assured that the parent company would provide a guaranty as to the performance of Aspire.

Mr. Feisthamel inquired as to how many people would be located in the call center. Mr. Simpson stated that approximately 10-12 people would be needed for the call center to handle the 100,000 accounts. RISLA would need to become NIST/FISM compliant in order to operate a federal call center and employees would need background and security checks and it could be very expensive.

Mr. Simpson stated that RISLA could earn \$2.4 million over 5 years, \$715,000 up front and \$25,000 per month thereafter.

Mr. Howell asked if RISLA did operate a call center if it would be able to use the call center to do other work. Mr. Simpson said that the FISMA requirements would make that very difficult.

Mr. Feisthamel asked that the board table the discussion until a later date.

At 11:53, upon a motion made by Mr. Howell and seconded by Ms. Doyle, the board entered into Closed Session based on Litigation – Pursuant to RIGL 42-46-5 (a)(2). All members voted in favor.

At 2:17 the open session was reconvened. Chairman Santoro announced that no votes were taken in the closed session. Upon a motion made by Mr. Howell and seconded by Mr. Feisthamel it was unanimously

VOTED to seal the minutes of the Closed Session.

Upon a motion made by Mr. Howell and seconded by Mr. Feisthamel it was unanimously

VOTED to adjourn at 2:18.

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Secretary